



GLOBAL COMPARATIVE STUDY ON INTERACTIONS BETWEEN SOCIAL PROCESSES AND PARTICIPATORY GUARANTEE SYSTEMS

- **A BRIEF OF THE BEST PRACTICE STUDY FOR LEARNING AND DEVELOPMENT WITH CASE STUDIES FROM AFRICA, ASIA, EUROPE AND LATIN AMERICA**



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A Brief of The Global Comparative Study on Interactions Between Social Processes and Participatory Guarantee Systems

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Introduction

Participatory Guarantee Systems (PGS) are locally focused quality assurance systems. They certify producers based on active participation of stakeholders and are built on a foundation of trust, social networks and knowledge exchange (IFOAM 2008).

In 2014, over 49,000 small operators are involved in PGS. There are now 50 PGS initiatives established on all continents, and more than 60 initiatives are under development. Over time, some of these PGS initiatives function well while others discontinue or disappear. This brings one question to mind: Under which conditions are PGS likely to be successful and run for a long time?

Based on an assumption that further social processes of a PGS group strengthen the sustainability of the initiative, a best case study was commissioned to IFOAM by the AGROECO¹ project. In order to further develop PGS as a tool for improving livelihoods in rural communities, the study analyzes the interactions between PGS and other parallel social processes, and it identifies how both PGS and parallel social processes can trigger innovation and adaptation to improve the livelihoods of rural communities worldwide, and particularly in the Peruvian Andes.

Research methods

The research questions were explored using a participatory rapid appraisal method based mainly on qualitative studies. In a consultation with key individuals and organizations involved in the development of PGS, as well as with members of the IFOAM PGS Committee, best practice cases of PGS initiatives and their relevant social processes were identified. In a second step, in-depth case studies were conducted with 84 PGS producers and 24 stakeholders from eight selected PGS initiatives that are using social processes: Keystone Foundation, India; Green Foundation, India; Association of Sustainable Agriculture Practitioners of Palimbang (ASAPP), a member of the Farmer-Scientist Partnership for Development (MASIPAG), Philippines; Asociacion Nacional de Productores Ecologicos (ANPE) / Instituto de Desarrollo y Medio Ambiente (IDMA), Peru; Nuclei of Alto Uruguai and Planalto from Rede Ecovida de Agroecologia (Ecovida), Brazil; Red Mexicana de Tianguis y Mercados Orgánicos (REDAC), Mexico; Bryanston Organic & Natural Market (BONM), South Africa; COMAC Lozère, a member of Nature et Progrès, France.

Results

Main social processes identified and their impacts on the PGS

The main social processes identified among the surveyed PGS are:

- Collective marketing and sharing information, techniques and traditional knowledge, both identified in all cases;
- Collective seed management and conservation relevant for Keystone Foundation, Green Foundation, ASAPP, ANPE/IDMA and Ecovida;
- Small scale saving systems, which are relevant for Keystone Foundation, Green Foundation, ANPE/IDMA and Ecovida;
- Collective work relevant for Keystone Foundation, Green Foundation and ASAPP;
- Committed, informed and supportive consumer base, specific to ANPE/IDMA, BONM and COMAC Lozère;
- Socialized pricing, specific to ASAPP.

The study shows that PGS is an important platform for the development of these social processes that in turn positively impact PGS initiatives in different ways, thereby improving the sustainability and

1 Ecological and socio economic intensification for food security in smallholder agriculture in Central Andes

impacts of the PGS. PGS provides a good platform for **sharing information, techniques and traditional knowledge** among farmers.

Farmers across the surveyed cases carry out different **collective marketing activities** such as farmers' markets and fairs, organic markets, collective buying, bulking products at the time sales that have developed within PGS or were strengthened following the entry into PGS. It emerged from the interviews with farmers that, PGS is very important for all these collective marketing activities and vice versa. In general, respondents mentioned that being in the PGS enables them access to specific markets, reduces costs related to the organization of the market, and helps reach consumers on a larger scale. This strengthens social bonds and trust within the group and leads to increased farm income, thereby improving the sustainability of the PGS.

Collective seed management and conservation processes, such as trial farms or Community Seed Banks, contribute to the continuity of organic agriculture practices with regard to the availability of locally suitable organic seeds. Also, they strengthen social bonds and positively impact the way the members of the PGS interact.

Small-scale savings systems (e.g. common fund or collective savings systems) have been mentioned as tools to create positive group dynamics and to guarantee the financial sustainability of the PGS, by covering common expenses, while improving farmers' livelihoods through better access to credit.

A farmer from the Green Foundation PGS:
"I have no worries about getting seeds now. We used to stand in long queues before, but now we get them so easily in the seed bank. And you can save these seeds for planting next year. You can't do that with those 'packet' seeds.

Collective work is a means of providing manual labor and helping each other in the group. In the Philippines, for example, collective work or Bayanihan is a communal system of labor traditionally used in different parts of the Philippines where people come together to work on each other's projects – either as pure reciprocal labor or sometimes for a portion of the harvest. As a result, according to respondents, collective work not only reduces the need to purchase labor and capital but also increases trust and cooperation among PGS members, thus leading to better relationships within the group and a more efficient running of the PGS.

Socialized pricing is a collective action of the group that enables Philippine farmers to command the price of their produce to make them affordable to members of the organization and consumers. This enhances relationships among PGS members and increases the availability of guaranteed organic rice in the community, thus contributing to local food security.

Benefits associated with the entry into PGS

The study found that the entry into PGS offers farmers and their families a range of economic, environmental and social benefits, thus improving their livelihoods. The main benefits as perceived by surveyed farmers are:

1. **Improved social bonds:** PGS promotes through social processes personal relationships based on trust and leads to the sharing of knowledge and best organic practices, thus leading to empowered social organizations at the local level.
2. **Cost savings:** For many farmers, the entry into PGS is associated with the adoption of organic practices. This results in lower farming costs, as organic farming involves the use of affordable inputs that are generally produced on the farm rather than externally purchased such as seeds and synthetic pesticides. For some farmers, PGS also leads to reduced costs related to certification of the organic quality of the produce. For example, a comparison of costs for PGS and third party certification (ICS) for a local group member of IDMA/ANPE PGS in Huánuco (Peru), shows that third party certification (US\$ 2,580) is almost five times more expensive than PGS (US\$ 540) on an annual basis.
3. **Enhanced market access and better income:** PGS facilitates the establishment of collective marketing initiatives and diversification of marketing channels, promoting increased volume of the offer and product diversity, thus helping farmers access specific direct and regular markets. This leads for many

farmers, particularly in developing countries, to increased profit margins and income. For example, before joining the MASIPAG Farmers Guarantee System (MFGS) in 2007, the average farm income of ASAPP members was estimated at only 3,000 Pesos (about US\$ 69) per hectare. Early in 2012, this income had tripled reaching 15,000 Pesos (about US\$ 347) per hectare. In Brazil, PGS farmers of the Ecovida's nuclei of Planalto and Uruguai reported an increase in their incomes as an outcome of the participation and weekly direct sales of products at the local PGS farmers' market.

- Enhanced food security:** The setting up of kitchen gardens by farmers and their increased cultivation of indigenous seeds, which are suited to local agro-climatic zones, contributes to increased yields, diversity and nutrient content of meals. In addition to increased crop diversification, the access to different markets leads farmers to improve the productivity of both their cash and subsistence food crops, thereby improving households' nutritional requirements and their ability to feed themselves. As a result, 78 percent of the respondents stated that their farm performs better today than prior to joining the PGS. 92 percent claimed that they have access to sufficient food during the whole year, while 84 percent believe that their families have more diverse meals now than before joining the PGS.

A farmer of the Green Foundation PGS (India):
"I had to pledge my wife's jewels to take out loans from middlemen for inorganic cultivation. I had to bow my head and walk after that. Once you have taken out loans, no one will give you money if you need it in an emergency. And then you have to sell all your yields back to the middlemen because you owe them money. They cheat you on measurements and you have to take what money they give you. I have beaten the ground in my frustration in those times before organic farming."

A farmer from Ecovida, Brazil:
"By selling directly, the income is net. There is no middleman in the chain, the farmer sells directly to consumers, the return is much higher."

- Better management of natural resources:** By acting as platforms for farmer-to-farmer knowledge sharing and exchange, PGS initiatives contribute to traditional knowledge maintenance and dissemination and empower farmers to make use of locally available inputs and breeds, therefore contributing to improved natural resource management in communities.

Common challenges experienced by PGS

Some PGS initiatives are facing challenges that need to be addressed to ensure that the benefits of PGS are maximized. The most common challenges, as reported by the respondents are: involving consumers in PGS; gaining recognition and support from authorities; poor documentation and record-keeping; long distances or difficult access between the members of the group, as well as from farm to market; low understanding and participation of some farmers in PGS; low farmers' education levels and reliance on voluntary work.

Conclusions and recommendations

The examined cases have all existed for a long time and were chosen as they addressed the sustainability issue with great success. They impress by their performance, and the impact they create. The study concluded that in all examined cases PGS is an important platform for community development. The strength of this platform depends on the capacity of the group for social interaction and common performance. Participation options, ownership, conflict resolution culture and gender roles are as important factors to success as tangible economic benefits, like access to markets.

PGS can be the first social activity of a group leading to further community actions beneficial for development. While PGS triggered further social processes, it was also found that in some instances other social processes were in place before the PGS was established. They are a good precondition for establishing a new PGS. Hence, parallel social processes can be used as an element of a sustainability strategy for PGS since they help sustain the PGS.

Parallel social processes of groups strengthen the PGS and a common guarantee of compliance with

organic production rules is favorable to other collective actions. The opposite however, that PGS may not function well without further social process can neither be confirmed nor excluded in the scope of this study.

The cases demonstrate that PGS can provide farmers with access to markets thus improving their profit margins. The short value-chain and direct relations to consumers increase the likelihood of farmers being able to fetch a price for their products that enables them to make a decent livelihood for their families. The impact of PGS initiatives was observed for both cash and subsistence farming thereby improving household nutritional requirements. This means that PGS, as a development tool, has the potential to make a significant contribution to the reduction of food insecurity as well as to improved nutrition among farmers in rural areas.

Factors conducive to the development of PGS are:

- Good understanding of Organic Agriculture and PGS
- Mobilizing farmers around a shared or common vision depending on the context of the PGS initiative
- Stakeholder-owned and maintained PGS structures
- Continuous improvement and learning
- Involving consumers in PGS
- Facilitating the development of collective actions by farmers (social processes)
- Enabling market access
- Enabling financial contribution.

The identified farmers' benefits, from a public interest perspective, (environmental benefits, food security, poverty alleviation, development of remote rural areas etc.) associated with PGS justify government attention to PGS. Government support may include: a) the acceptance and regulation of PGS as an organic assurance system, b) using PGS as tool for own or donor suggested development programs, c) integration of PGS development in its research and agricultural extension agenda and d) supporting PGS and its positive externalities in the public interest with subsidies. Governments therefore could address major challenges mentioned in the interviews.

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The logo for IFoAM (International Federation of Airports) features the letters 'IFoAM' in a bold, italicized, sans-serif font. The letter 'O' is replaced by a stylized globe showing the continents. The background of the page is white with several thin, light green curved lines that sweep across the space, creating a sense of motion and connectivity.